

**MINUTES OF THE MAY 14th, 2020 at 11:30am**  
**Electronic Zoom Meeting**  
**ADMINISTRATIVE BOARD MEETING**  
**OF THE UTAH LOCAL GOVERNMENTS TRUST**

**Board Members Present:**

Todd S. Beutler  
Craig W. Buttars  
Robert M. Hale  
Gary L. Hatch

Stephanie L. Miller  
Shawn B. Milne  
Kenneth F. Neilson  
Bradley M. Powell

Pamela A. Roberts  
Christopher F. Robinson

**Staff Present:**

Steven A. Hansen

**General Counsel:**

A. Craig Hale, Attorney at Law, Hale & Wood, LLP

**Guest Present:**

None

1. ORDER

Board Chair, Gary Hatch called the meeting to order at 11:30am on Thursday, May 14, 2020, online via Zoom.

2. MINUTES APPROVAL

A motion to approve the Minutes of the meeting of the Administrative Board of the Utah Local Governments Trust held March 27, 2020, was made by Mayor Ken Neilson and seconded by Commissioner Shawn Milne. Motion passed unanimously.

3. EXTENSION of MAYOR HALE'S BOARD TERM TO ANNUAL MEETING IN AUGUST

Due to Covid 19 pandemic, and cancellation of May 14, 2020 Annual Meeting, a motion to extend Mayor Hale's board term until the Annual Meeting scheduled for August 20, 2020 was made by Brad Powell and seconded by Pam Roberts. Motion passed unanimously.

4. CLOSED SESSION

Discussion of character, professional competence, or physical or mental health of an individual. Roll Call to enter closed session: Board Chair Gary Hatch, Mayor Ken Neilson; Commissioner Shawn Milne; Craig Buttars; Todd Beutler; Bradley Powell; Mayor Stephanie Miller; Mayor Robert Hale, Pam Roberts, Chris Robinson.

5. PANDEMIC UPDATE

Craig Buttars provided an overview of the Governor's press conference regarding the move from Orange to Yellow – with some exceptions.

#### 6. LEGISLATIVE UPDATE

Craig Hale provided a legislative update regarding SB 3007; HB 3007; HB 3009

#### 7. PERFORMANCE METRICS

Steven A. Hansen reviewed details of each performance metric:

- a. Exhibit 1: Financial Snapshot
- b. Exhibit 2: Member Composition
- c. Exhibit 3: Market Penetration
- d. Exhibit 4: Membership Growth
- e. Exhibit 5: Claims Frequency Trend
- f. Exhibit 6: Claims Frequency
- g. Exhibit 7: Claims Severity
- h. Exhibit 8: Loss Prevention
- i. Exhibit 9: Balance Sheet
- j. Exhibit 10: Income Statement

#### 8. APPROVAL OF FINANCIALS

Steven Hansen reviewed financials and a discussion was held regarding performance of the Trust. Motion to approve financials made by Pam Roberts and seconded by Brad Powell. Motion passed unanimously.

#### 9. PROFITABILITY ANALYSIS

Steven Hansen reviewed the profitability analysis prepared by Taylor Walker Consulting Actuaries.

#### 10. ANNUAL MEETING

Steven Hansen reviewed plans for Annual Meeting that has been moved to August 20, 2020, due to the Covid 19 Pandemic. Accommodations will be made for size limitations of public gatherings and voting.

#### 11. PROFITABILITY ANALYSIS

Steve Hansen discussed the Profitability Analysis provided by Taylor Walker Consulting Actuaries. This report is updated 2 times per year and provides an in-depth look at by line year by year underwriting performance. Performance is favorable and improving, benefitting members.

#### 12. INVESTMENTS APPROVAL – APPENDIX FOR DETAIL

A discussion was held regarding Investments.

Mayor Stephanie Miller complimented Steve Hansen on the performance returns on the portfolio and for the annual savings the Trust realizes due to Steve managing the portfolio internally.

A motion to accept the investment report was made by Ken Neilson and seconded by Pam Roberts. Motion passed unanimously.

#### 13. DISBURSEMENTS APPROVAL – APPENDIX FOR DETAIL

A discussion was held regarding Disbursements for the period of March 2020 to April 2020. A motion to approve Trust Disbursements was made by Craig Buttars and seconded by Brad Powell. Motion passed unanimously.

#### 14. INSURANCE MARKET UPDATE

Steve Hansen provided a reinsurance market update. The market continues to harden. The Trust property reinsurance rate increase will be double digit for July 2020 renewal – still finalizing. This increased hardening and volatility is due to Covid 19 and the added uncertainty in the capital markets, in addition to losses sustained by reinsurers.

#### 15. ANNUAL REPORT

Steve Hansen presented the Annual Report for 2019. This report is normally presented at the May Annual Meeting. Due to the Covid Pandemic, the Annual Report will be mailed to member this month.

#### 16. OTHER BUSINESS

Board Chair Gary Hatch expressed appreciation to all board members for their public service to their respective entities and to the Trust during these trying times.

Chris Robinson complimented Steve Hansen on expanding the Investment Security and Holdings summary to include added details on credit ratings and credit worthiness for each holding in our portfolio.

A motion to adjourn the meeting at 12:37pm was made by Brad Powell and seconded by Pam Roberts.

#### 2020 TENTATIVE DATES AND TIMES

- Thursday, May 14, 2020 – Board Meeting
- Thursday, August 20, 2020 – Annual Meeting
- Friday, October 23, 2020 – Board Meeting
- Friday, December 11, 2020 – Board Meeting

Sincerely,

A handwritten signature in black ink, appearing to read "Steve", written in a cursive style.

Steven A. Hansen, CEO